

Chris Christie Governor

Kim Guadagno Lt. Governor

STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center, Suite 801 Newark, NJ 07102 www.nj.gov/bpu/

NOTICE1

Kristi Izzo Secretary of the Board Tel. # (973) 648-3426

Pursuant to the "Open Public Meetings Act", <u>N.J.S.A</u>. 10:4-6 <u>et seq</u>, the New Jersey Board of Public Utilities ("Board") hereby gives notice of a Public/Stakeholder Meeting being attended by the Board's Commissioners regarding:

I/M/O a Generic Stakeholder Proceeding To Consider Prospective Standards for Gas Distribution Utility Rate Discounts and Associated Contract Terms and Conditions BPU Docket No. GR10100761 & ER10100762

> December 2, 2010 at 10 a.m. Board of Public Utilities Board Hearing Room, 8th Floor Two Gateway Center Newark, NJ

As a continuation of the November 15, 2010 discussions, the Board is holding a second public stakeholder meeting on December 2, 2010 to solicit input on the justness and reasonableness of allowing Board regulated natural gas distribution utilities to offer reduced gas distribution/delivery rates from Board approved gas distribution/delivery tariff charges to those customers who may qualify, based upon certain criteria, for such gas distribution/delivery rate discounts.

The purpose of this generic stakeholder proceeding is to evaluate the justness and reasonableness of providing such gas distribution utility discounted rates to customers on a state-wide basis and if appropriate, to consider the establishment of standards by which a current gas distribution customer may request a reduced rate premised upon clearly defined criteria as well as to consider the appropriateness of establishing uniform contract terms and conditions for entering into such rate discounts.

Specifically, the Board seeks comments on, but not limited to, the following issues:

 Whether, on a prospective basis, the Societal Benefits Charge (SBC), Regional Greenhouse Gas Initiative (RGGI) and Capital Adjustment Charge (CAC), should apply to those gas distribution utility customers who can credibly demonstrate the customer's ability to by-pass (disconnect from) the natural gas utility's distribution system as well as whether any waiver or reduction of the charges identified should be permitted;

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- Whether any discount on any other portion of a customer's gas distribution/delivery rate (other than the SBC, RGGI and/or CAC charges referenced above), on a prospective basis, should be permitted based upon a credible demonstration of a customer's ability to by-pass the natural gas utility's distribution system;
- If discounted natural gas distribution/delivery rates through so-called special contracts, separate and distinct from Board approved gas distribution utility tariff based rates are permitted, whether uniform terms and conditions should be established, including possible limitations to "evergreen" clauses, e.g., automatic extension of the contractual term through the consent of the contracting parties without seeking and obtaining prior Board approval; whether such contracts initially and upon expiration of their primary terms should be submitted for review and comment to the Director, Division of Rate Counsel, Director, Energy Division of Board Staff, and the Office of the Attorney General and thereafter submitted to the Board for review and approval;
- The criteria and process that the Board should establish, if found to be lawful and warranted, to determine whether or not a customer of the natural gas distribution utility has a bona fide, credible ability to by-pass the natural gas utility's distribution system. This generic stakeholder proceeding will be conducted on an expedited basis in order to present a report from the Presiding Officer to the Board sometime during the first quarter of 2011. Motions to intervene will not be necessary in order to afford all interested members of the public an opportunity to be heard during these stakeholder meetings and to reduce administrative time and expense.

While a court reporter will be present to transcribe the comments, this is not a formal public hearing. This is an informal stakeholder process designed to solicit input from members of the public for the Presiding Officer's report to the Board for its consideration.

Written comments can be emailed, in Microsoft Word Format, until Friday, December 17, 2010 to: rule.comments@bpu.state.nj.us – please include the phrase "Gas Rate Discount Comments" in the subject line. In addition to or in lieu of verbal comments, comments can also be sent to my attention at: Board of Public Utilities, Two Gateway Center, Suite 801, Newark, NJ 07102 postmarked no later than December 17, 2010 – please indicate your correspondence is regarding "Gas Rate Discount Comments".

Kristi Izzo

Secretary of the Board

Dated: November 22, 2010